

## **EXHIBIT #2**

AMERICAN ARBITRATION ASSOCIATION

CPR LIMITED PARTNERSHIP,	)	CASE NO. 35 133 00022 01
et al.,	)	
Claimants,	)	
	)	
v.	)	
CPR PROMPT CORPORATION,	)	
et al.,	)	
	)	
Respondents.	)	

ORDER NO. 3

1. The Orders of the Panel, not correspondence from the parties or their counsel (e.g., Mr. Hutchins' 4/8/02 letter to AAA CEO Slate; Ms. O'Neil's letter of 4/26/02 to the Panel and AAA's Ms. Jones), determine the current status of the case.
2. The case is not "suspended for non-payment" under AAA Commercial Arbitration Rule ("CAR") R-56. Rather, the preliminary hearing pursuant to CAR R-22 has been postponed (CAR R-30) until June 30, 2002, to afford: (a) each party time to reach agreement concerning that party's relationship with its party-appointed arbitrator during the balance of the proceedings; (b) the AAA Case Administrator, Ms. Jones, time to assess and collect a deposit of the estimated fees and expenses of the arbitrators (*see*, CAR R-54); and (c) to allow the parties to prepare for full discussion of all matters at the preliminary hearing, itself (*see*, CAR R-22(b)).
3. Once Ms. Jones has completed the process outlined in CAR R-56, the Panel will make a determination about how to proceed.
4. If Ms. Jones should indicate that her efforts to secure deposits covering AAA fees and the arbitrators' fees and expenses are concluded prior to June 30, 2002, either party may request that AAA attempt to schedule a preliminary hearing. Any such request shall be made through the AAA, which shall see to it that all parties, whether business entities or individuals, receive notice by Certified Mail.
5. The Panel observes that, to date, it has held three telephonic status conferences; April 3, 2002, April 10, 2002 and April 25, 2002. Neither Mr. Hutchins nor CPR Prompt Corporation appeared at any of these conferences, through counsel or in person. When no appearance by Respondents was made on April 3, 2002, the Panel, with the consent of Claimant CPR Limited Partnership, added Attorney Gary Martinelli of Springfield Massachusetts to the

call. Mr. Martinelli has previously represented both Respondents, and agreed personally to urge Mr. Hutchins to secure counsel to represent Respondents in this arbitration. The Panel believes that notice of the April 10 status conference was delivered to Mr. Hutchins by fax and by overnight courier from AAA, and that notice of the April 25 status conference was delivered to Mr. Hutchins by fax and by Certified Mail from the AAA. The Panel directs that Ms. Jones give notice of all future hearings and correspondence in this matter to Claimants and Respondents via Certified Mail, Return Receipt Requested.

6. Claimants' objection to Order No. 2, ¶ 2 (which provides, "The four concept disclosures made by Respondent to Claimant in 1995 which were rejected by Jeanne Longmuir's letter of September 7, 1995 will be furnished to the Panel by Claimant by April 24, 2002") is overruled and the time for Claimant to comply with this ¶ 6 is extended to June 30, 2002.

/s/ Robert R. Hussey II

Robert R. Hussey II

/s/ Richard R. Pogue

Richard W. Pogue

/s/ Richard H. Sayler

Richard H. Sayler, Chairman

Dated: May 3, 2002



American Arbitration Association  
*Dispute Resolution Services Worldwide*

L'Tanya Keith-Robinson

May 3, 2002

2200 Century Parkway, Suite 300, Atlanta, GA 30345  
telephone: 404-325-0101 facsimile: 404-325-8034  
internet: <http://www.adr.org/>

VIA FACSIMILE & CERTIFIED U.S. MAIL

Colleen O'Neil Esq.  
1400 McDonald Investment Center  
800 Superior Avenue  
Cleveland, OH 44114


Donald C. Hutchins  
Hutchins Tool and Engineering Company  
60 Brookdale Drive  
Springfield, MA 01104

Re: 35 133 00022 1  
CPR Limited Partnership  
and  
CPR Prompt Corporation and  
Donald C. Hutchins

Dear parties:

Enclosed is the Panel's Order # 3.

Very truly yours,

  
Amy Henthorn Jones  
Case Manager  
800 218 5286  
[henthorna@adr.org](mailto:henthorna@adr.org)

## **EXHIBIT #3**



**CALFEE, HALTER & GRISWOLD LLP**

ATTORNEYS AT LAW

Cleveland

Direct Dial No. 216/622-8530

email: [coneil@calfee.com](mailto:coneil@calfee.com)

April 24, 2002

VIA FACSIMILE & ORDINARY MAIL

Richard H. Sayler, Esq.  
Jones, Day, Reavis & Pogue  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114

Robert R. Hussey, Esq.  
P.O. Box 700  
North Olmsted, Ohio 44070

Richard W. Pogue, Esq.  
1301 East Ninth Street, Suite 1300  
Cleveland, Ohio 44114

Re: CPR Limited Partnership v. CPR Prompt Corporation, et al.,  
American Arbitration Association  
Case No. 35 133 00022 01

Dear Gentlemen:

With regard to Order No. 2 dated April 19, 2002, which we first received at approximately noon on April 23, 2002, we have made diligent efforts to locate the four concept disclosures required by paragraph no. 2 of Order No. 2, but due, in part, to the obvious time constraints, we will not be able to comply with the April 24, 2002 deadline set forth therein. In any event, CPR L.P. objects to being ordered to produce documents in support of Respondents' alleged defenses and submits that it is more appropriate for the panel to request any such documents from the Respondents directly.

Very truly yours,

*Colleen M. O'Neil/gjs*

Colleen M. O'Neil

CMO/jab

cc: Ms. Kati R. Cooper, AAA  
Donald C. Hutchins  
CPR Prompt

1400 McDonald Investment Center 800 Superior Avenue Cleveland, Ohio 44114-2688 216/622-8200 Fax 216/241-0816

1650 Fifth Third Center 21 East State Street Columbus, Ohio 43215-4243 614/621-1500 Fax 614/621-0010

[www.calfee.com](http://www.calfee.com)

## **EXHIBIT #4**

424B3 1 d424b3.htm CARDIAC SCIENCE PROSPECTUS SUPPLEMENT  
PROSPECTUS SUPPLEMENT NO. 1

Filed Pursuant to Rule 424(b)(3)

(To Prospectus Dated December 19, 2003)

Registration No. 333-110898

**CARDIAC SCIENCE, INC.****26,638,319 Shares of Common Stock  
(\$0.001 par value)**

This prospectus supplement supplements information contained in that certain prospectus dated December 19, 2003 of Cardiac Science, Inc., relating to the offer and sale from time to time of up to (i) 12,483,334 shares of our outstanding common stock and (ii) 14,154,985 shares of our common stock issuable upon exercise of warrants, which are held by certain stockholders and warrant holders named in the prospectus under the section entitled "Selling Stockholders." This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the prospectus, including any amendments or supplements thereto. Capitalized terms used in this prospectus supplement but not defined shall have the meanings assigned to such terms in the prospectus.

Subsequent to the date of the prospectus, an aggregate of 7,534,911 shares of our common stock set forth in the prospectus as being owned by Compliant Corporation were assigned to certain of Compliant Corporation's stockholders in connection with Compliant Corporation's plan of liquidation and dissolution. The following table amends and restates in its entirety the table set forth in the prospectus under the caption "Selling Stockholders" to reflect the foregoing assignments (no additional shares of our common stock are being offered for resale hereunder):

<u>Selling Stockholder</u>	<u>Number of Shares of Common Stock Beneficially Owned Prior to Offering(1)</u>	<u>Number of Shares of Common Stock Offered for Sale Hereunder</u>	<u>Number of Shares of Common Stock Beneficially Owned Assuming Sale of All Shares offered Hereunder</u>	<u>Percentage of Common Stock Beneficially Owned Assuming Sale of All Shares Offered Hereunder</u>
Perseus Acquisition/ Recapitalization Fund, LLC(2)	5,731,039	5,731,039	—	*
Perseus Market Opportunity Fund, LP(3)	5,334,109	5,334,109	—	*



Cardiac Science Co-Investment, LP(4)	2,086,504	2,086,504	—	*
Compliant Corporation	1,690,089	1,690,089	—	*
Embassy & Co.(5)	1,025,000	1,025,000	—	*
Walter Villiger(6)	1,454,979	495,000	959,979	1.2%
Langley Partners L.P.(7)	1,411,667	1,411,667	—	*
Thomas Girschweiler(8)	990,000	495,000	495,000	*
General Electric Medical Information Systems(9)	750,000	750,000	—	*
Truk Opportunity Fund L.L.C.(10)	55,000	55,000	—	*
Allen & Caron, Inc.(11)	24,000	24,000	—	*
Matt Clawson(12)	9,000	6,000	3,000	*
County Line Limited, L.L.C.(13)	65,118	65,118	—	*
Medtronic Physio-Control Corp.(13)	145,835	145,835	—	*
J.P. Morgan Partners (BHCA), L.P.(13)	1,776,817	1,776,817	—	*
Healthcare Equity Partners, L.P.(13)	80,944	80,944	—	*
Healthcare Equity QP Partners, L.P.(13)	247,430	247,430	—	*
Healthcare Equity CPR, L.L.C.(13)	3,447	3,447	—	*
Great Lakes Capital Investments II,	14,716	14,716	—	*

L.L.C.(13)				
Great Lakes				
Capital				
Investments III,				
L.L.C.(13)	11,335	11,335	—	*
Great Lakes				
Capital				
Investments IV,				
L.L.C.(13)	7,444	7,444	—	*
National City				
Equity Partners,				
Inc.(13)	189,187	189,187	—	*
The Kindt-Collins				
Company				
LLC(13)	550,525	550,525	—	*

(Continued from prior page)

Selling Stockholder	Number of Shares of Common Stock Beneficially Owned Prior to Offering(1)	Number of Shares of Common Stock Offered for Sale Hereunder	Number of Shares of Common Stock Beneficially Owned Assuming Sale of All Shares offered Hereunder	Percentage of Common Stock Beneficially Owned Assuming Sale of All Shares Offered Hereunder
Marvin Marks(13)	19,444	19,444	—	*
Stephen W. and Barbara Schuman(13)	1,646	1,646	—	*
Laura McKenna(13)	15,967	15,967	—	*
PineTree Co. Ltd.(13)	127,622	127,622	—	*
Sells Investment Co.(13)	1,719	1,719	—	*
Boake A. Sells Trust dtd. 12/14/88(13)	121,865	121,865	—	*
John W. Dorsey(13)	4,861	4,861	—	*
Brenton P. Cook, Trustee, Brenton P. Cook Trust dtd. 6/28/99(13)	740	740	—	*
McDonald Investments Inc. C/FBO John J. Meilner IRA A/C 85879052 dtd. 6/6/96(13)	1,042	1,042	—	*
Wayne Van Dam(13)	740	740	—	*
Cleveland Clinic Foundation(13)	72,917	72,917	—	*

GS Capital Partners III, L.P.(13)	1,305,010	1,305,010	—	*
GS Capital Partners III Offshore, L.P.(13)	358,763	358,763	—	*
Goldman Sachs & Co. Verwaltungs GmbH(13)	60,246	60,246	—	*
Stone Street Fund 2000, L.P.(13)	164,193	164,193	—	*
Bridge Street Special Opportunities Fund 2000, L.P.(13)	82,096	82,096	—	*
Seligman New Technologies Fund, Inc.(13)	63,607	63,607	—	*
Seligman Investment Opportunities (Master) Fund—NTV Portfolio(13)	32,504	32,504	—	*
Seligman Investment Opportunities (Master) Fund—NTV II Portfolio(13)	195,559	195,559	—	*
BancBoston Capital, Inc.(13)	636,050	636,050	—	*
Roundwood Capital L.P.(13)	48,612	48,612	—	*
Roundwood Capital II L.P.(13)	48,612	48,612	—	*

Key Principal Partners LLC(13)	722,692	722,692	—	*
R. Louis Schneeberger(13)	20,694	20,694	—	*
Frank D. Gruttadauria(13)	9,197	9,197	—	*
Charles W. Walton(13)	25,760	25,760	—	*
Jack A. Staph(13)	9,722	9,722	—	*
Marvin Solganik(13)	9,722	9,722	—	*
Calfee, Halter & Griswold LLP(13)	9,722	9,722	—	*
Thomas R. Kully(13)	7,292	7,292	—	*
NonQuitt Partners(13)	9,722	9,722	—	*
Clark Callander(13)	9,467	9,467	—	*
Dominique Sémon(13)	972	972	—	*
Thomas G. Kelly(13)	2,429	2,429	—	*
Jeanne Chung(13)	1,458	1,458	—	*
Thomas W. Killilea(13)	487	487	—	*
Sheryl Skolnick(13)	973	973	—	*
Peter McNierney (13)	1,944	1,944	—	*
Cleveland Pacific Equity Partners I, L.P.(13)	97,223	97,223	—	*
EPKO Investment, Inc.(13)	24,306	24,306	—	*
Alain M. Oberrotman(13)	6,448	6,448	—	*
Robert A. Lauer(13)	21,748	20,748	1,000	*
David Strang(13)	32,194	32,194	—	*

Moxahela				
Enterprises,				
LLC(13)	55,126	55,126	—	*
Totals:	28,097,298	26,638,319	1,458,979	1.8%

\* Indicates less than one percent (1%).

- (1) "Prior to Offering" means prior to the offering by the selling stockholders of the securities registered under this S-3 for resale.
- (2) Pursuant to that certain Senior Note and Warrant Purchase Agreement dated as of May 29, 2002 (the "Purchase Agreement"), Perseus Acquisition/Recapitalization Fund, LLC purchased (i) warrants to purchase 4,357,657 shares of our common stock at an exercise price of \$3.00 as adjusted (ii) warrants to purchase 1,318,911 shares of our common stock at an exercise price of \$3.96 as adjusted, (iii) warrants to purchase 43,577 shares of our common stock an exercise price of \$4.61 as adjusted and (iv) warrants to purchase 10,894 shares of our common stock an exercise price of \$1.75 as adjusted. All of the warrants are exercisable until May 30, 2009. The shares underlying the warrants are included in the registration statement of which this prospectus is a part. Ray E. Newton, III is a managing director of Perseus, LLC, is also a member of our board of directors.
- (3) Pursuant to the Purchase Agreement, Perseus Market Opportunity Fund, LP, purchased (i) warrants to purchase 4,055,847 shares of our common stock at an exercise price of \$3.00 as adjusted (ii) warrants to purchase 1,227,564 shares of our common stock at an exercise price of \$3.96 as adjusted, (iii) warrants to purchase 40,558 shares of our common stock at an exercise price of \$4.61 as adjusted and (iv) warrants to purchase 10,140 shares of our common stock at an exercise price of \$1.75 as adjusted. All of the warrants are exercisable until May 30, 2009. The shares underlying the warrants are included in the registration statement of which this prospectus is a part. Ray E. Newton III is a managing director of Perseus, LLC, and is also a member of our board of directors.
- (4) Pursuant to the Purchase Agreement, Cardiac Science Co-Investment, LP, purchased (i) warrants to purchase 1,586,496 shares of our common stock at an exercise price of \$3.00 as adjusted, (ii) warrants to purchase 480,177 shares of our common stock at an exercise price of \$3.96 as adjusted, (iii) warrants to purchase 15,865 shares of our common stock an exercise price of \$4.61 as adjusted and (iv) warrants to purchase 3,966 shares of our common stock at an exercise price of \$1.75 as adjusted. All of the warrants are exercisable until May 30, 2009. The shares underlying the warrants are included in the registration statement of which this prospectus is a part. Ray E. Newton III is a managing director of Perseus, LLC, and is also a member of our board of directors.
- (5) Embassy & Co. is holding the shares as nominee for U.S. Bank N.A. in its capacity as escrow agent for the benefit of Compliant Corporation.
- (6) Represents 1,409,979 shares of common stock and warrants to purchase 45,000 shares of common stock at \$5.00.
- (7) Represents 1,283,334 shares of common stock and warrants to purchase 128,333 shares of common stock at \$5.00.
- (8) Represents 945,000 shares of common stock and warrants to purchase 45,000 shares of common stock at \$5.00.

- (9) Pursuant to a development agreement, we issued GE a warrant to purchase 750,000 shares of our common stock with an exercise price of \$3.00 per share.
- (10) Represents 50,000 shares of common stock and warrants to purchase 5,000 shares of common stock at \$5.00.
- (11) Represents warrants to purchase 12,000 shares of common stock at \$1.80 and 12,000 at \$3.27. Allen & Caron, Inc. provides corporate communication services to us and is compensated partly through warrants to purchase shares of our common stock.
- (12) Represents warrants to purchase 3,000 shares of common stock at \$1.80, 3,000 at \$3.27 and 3,000 at \$2.00. Matt Clawson is an employee of Allen & Caron, Inc., which provides corporate communication services to us and is compensated partly through warrants to purchase shares of our common stock.
- (13) Represents shares of common stock assigned by Compliant Corporation to certain of its stockholders, respectively, pursuant to an assignment instrument dated January 20, 2004, as amended March 19, 2004, in connection with Compliant Corporation's plan of liquidation and dissolution. Prior to the delivery of any shares to a Compliant Corporation stockholder, such stockholder shall have entered into a lock-up agreement that provides for, among other things, a proportionate monthly release of a portion of the stockholder's shares from lock-up over an 8-month period ending on or about November 14, 2004.

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All information in this prospectus supplement is as of March 31, 2004.

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**The date of this prospectus supplement is March 31 2004.**



## **EXHIBIT C**

**PATTERSON, THUENTE, SKAAR & CHRISTENSEN, P.A.**

*Patent, Trademark, Copyright, Internet & Related Causes*

RANDALL T. SKAAR  
(612) 349-5749  
skaar@ptslaw.com

July 28, 2004

**Via Federal Express**

Mr. Steven W. Lindseth  
Compliant Corporation  
c/o 4670 Richmond Road  
Suite 300  
Warrensville Heights, OH 44128

**Via Federal Express**

Mr. Brad Scarbrough  
U.S. Bank National Association  
633 West Fifth Street  
24<sup>th</sup> Floor  
Los Angeles, CA 90071

**Via Federal Express**

Mr. Gerald A. Monroe  
Calfee, Halter & Griswold, L.L.P.  
1400 McDonald Investment Center  
800 Superior Avenue  
Cleveland, OH 44114-2688

RE: Hutchins' Third-Party Claim  
Our File No. 1798.161-LIT-01

Gentlemen:

Please be advised that this law firm represents Cardiac Science, Inc., in the above-referenced matter.

Enclosed and served upon you by Federal Express, please find the following documents:

1. Officer's Certificate and Request for Indemnification by Cardiac Science, Inc.; and
2. Hutchins' Complaint.

Please contact me if you have any questions.

Very truly yours,

PATTERSON, THUENTE,  
SKAAR & CHRISTENSEN, P.A.



Randall T. Skaar

RTS/cb  
Enclosures

4800 IDS CENTER • 80 SOUTH 8TH STREET • MINNEAPOLIS, MINNESOTA 55402-2100  
800-331-4537 612-349-5740 FAX: 612-349-9266 www.ptslaw.com

MINNEAPOLIS, MINNESOTA • ATLANTA, GEORGIA

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

Donald C. Hutchins,

Case No. 04-30126-MAP

Plaintiff,

vs.

CERTIFICATE OF SERVICE

Cardiac Science, Inc.

Defendant.

Cyndi Bonk certifies that on the 28th day of July, 2004, copies of:

- (1) Officer's Certificate and Request for Indemnification by Cardiac Science, Inc.;  
and
- (2) Summons and Complaint

were served upon the below-named as follows:

VIA FEDERAL EXPRESS

Mr. Steven W. Lindseth  
Compliant Corporation  
c/o 4670 Richmond Road  
Suite 300  
Warrensville Heights, OH 44128

VIA FEDERAL EXPRESS

Mr. Brad Scarbrough  
U.S. Bank National Association  
633 West Fifth Street  
24<sup>th</sup> Floor  
Los Angeles, CA 90071

VIA FEDERALEXPRESS

Mr. Gerald A. Monroe  
Calfee, Halter & Griswold, L.L.P.  
1400 McDonald Investment Center  
800 Superior Avenue  
Cleveland, OH 44114-2688

Cyndi Bonk  
Cyndi Bonk

Subscribed and sworn to before me  
this 28th day of July, 2004.

Dainia S. Velishek  
Notary Public



**OFFICER'S CERTIFICATE AND  
REQUEST FOR INDEMNIFICATION BY CARDIAC SCIENCE INC.**

---

**To:**

Attn: Steven W. Lindseth  
Compliant Corporation  
c/o 4670 Richmond Road  
Suite 300  
Warrensville Heights, Ohio 44128

Attn: Brad Scarbrough  
U.S. Bank National Association  
633 West Fifth Street  
24<sup>th</sup> Floor  
Los Angeles, California 90071

Attn: Gerald A Monroe, Esq.  
Calfee, Halter & Griswold LLP  
1400 McDonald Investment Center  
800 Superior Avenue  
Cleveland, Ohio 44114-2688


**PLEASE TAKE NOTICE:**

- A. Pursuant to section 3(a) of the General Escrow Agreement dated October 21, 2003 between Compliant Corporation, Cardiac Science, Inc. and U.S. Bank National Association; and
- B. Pursuant to Section 11.2(a) of the Asset Purchase Agreement ("APA") dated October 21, 2003, that:
1. Cardiac Science hereby requests indemnification for the claims made against Cardiac Science in recently filed lawsuit against Cardiac Science in the lawsuit Donald C. Hutchins v. Cardiac Science, Inc. (04-30126-MAP) (D.Mass).
  2. Cardiac Science asserts that its request for indemnification is based upon at least Sections 1.2(i), 2.2(b), 2.2(d), 2.2(h), 2.2(i) and 2.2(m) of the APA.
  3. Mr. Hutchins' claims (see attached Complaint and exhibits thereto) seeks to have Cardiac Science provide compensation for an alleged failure of CPR L.P. to provide Mr. Hutchins 7.5% of the proceeds of any sale of partnership interest in CPR L.P. as provided in the CPR Prompt License and the CPR Partnership Agreement. The alleged obligation to compensate Mr. Hutchins is a retained liability pursuant to the sections of the APA identified in paragraph 3, above.

4. As a result and consequence of Compliant's alleged failure to compensate Mr. Hutchins per the CPR Prompt License and the CPR Partnership Agreement, he has initiated claims of copyright and patent infringement against Cardiac Science.

5. The attached Complaint and Exhibits for Mr. Hutchins' lawsuit sets forth the alleged factual basis for his claims and the claimed amount of damages, wherein money damages are claimed at least in the amount of \$3,795,000.

Dated: 7/27/2004



---

Mr. Kenneth F. Olson,  
Chief Technical Officer  
Cardiac Science, Inc.

Enclosure: Hutchins' Complaint

Cc:

Attn: Shivbir S. Grewal, Esq.  
Stradling, Yocca, Carlson & Rauth  
660 Newport Center Drive, Suite 1600  
Newport Beach, California 92660